

From: Wright, Kay (ESD)
Sent time: 06/04/2016 11:04:45 PM
To: Younis, Kevin (ESD); Zemsky, Howard (ESD); Fine, Elizabeth (ESD)
Subject: Fwd: FW: EB-5 TEA request

From: Kowalewski, Edward (ESD) <edward.kowalewski@esd.ny.gov>
Sent: Saturday, June 4, 2016 9:27 PM
Subject: FW: EB-5 TEA request
To: Wright, Kay (ESD) <kay.wright@esd.ny.gov>

From: Catherine Johnson [<mailto:cjohnson@corcompanies.com>]
Sent: Thursday, June 2, 2016 10:30 PM
To: Kowalewski, Edward (ESD) <Edward.Kowalewski@esd.ny.gov>
Subject: Re: EB-5 TEA request

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Ed

I have not yet heard from Kay.

Kate Johnson

Sent from my iPhone

On Jun 2, 2016, at 8:24 PM, Kowalewski, Edward (ESD) <Edward.Kowalewski@esd.ny.gov> wrote:

Both of us can assist you. Did Kay respond to your request?

Ed Kowalewski

Sent from my iPad

On Jun 2, 2016, at 3:22 PM, Catherine Johnson <cjohnson@corcompanies.com> wrote:

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Hi Ed,

I wasn't sure if you or Kay should get the request below so I am now copying you as well.

Kate Johnson

From: Catherine Johnson
Sent: Thursday, June 02, 2016 2:24 PM
To: 'kwilkie@esd.ny.gov' <kwilkie@esd.ny.gov>
Subject: EB-5 TEA request

Hi Kay,

I am seeking a certification that property having an address of 328 W. Kirkpatrick Street, Syracuse, NY 13204, qualifies as a Targeted Employment Area. If you need additional information to process this request, please advise. Also, do you know when we should anticipate a response to this request?

Thank you.
Kate Johnson

Catherine K. Johnson
Legal Counsel
COR Development
540 Towne Drive
Fayetteville, NY 13066
(315)663-2100
cjohnson@corcompanies.com

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From: Davis, Barry <bdavis@nextstreet.com>
Sent time: 04/27/2015 03:05:02 PM
To: Zemsky, Howard (ESD)
Cc: Cohen, Steven (ESD); Dana Pancrazi <dkpancrazi@heron.org>; Amy Orr <aorr@heron.org>
Subject: AeroFarms - Privilege and Confidential.
Attachments: [REDACTED]

Howard, hope all is well. We are about half way through our work with the Community Foundation of Greater Buffalo and look forward to sharing the final report in the coming months. I think you will find it interesting.

We met with Aero Farms (Heron introduction) who are building the largest vertical farm in the United States which will be located in Newark, NJ. The building should be complete and in full production by December this year.

They are also exploring Buffalo for their second location. Below please see a recap of who they are working with. I personally think this would be great for Buffalo and wanted to make sure you were aware. Happy to make an introduction to David Rosenberg their CEO. They have a very exciting story.

<http://aerofarms.com>



Barry M. Davis
Managing Partner
37 West 20TH Street
New York, NY 10011
Office 646 392 9506
bdavis@nextstreet.com

Begin forwarded message:

From: Sam Schatz <samschatz@aerofarms.com>
Subject: AeroFarms - Following up
Date: April 27, 2015 at 11:10:39 AM EDT
To: <anandakumar@nextstreet.com>, <bdavis@nextstreet.com>, <jnoh@nextstreet.com>, <aorr@heronfdn.org>
Cc: Guy Blanchard <guyblanchard@aerofarms.com>

Dear Barry,

Additionally, listed below the key contacts we are working with to move the project forward:

The Krog Corporation: Chosen developer for the project.

o **Paul Neureuter** ♦ **President**, **Scott Fairbrother** ♦ **CFO**

Empire State Development (ESDC/ESD): We last met with ESDC on March 17th, 2015 and discussed the planned site and project in detail and explained how we plan to navigate the incentive process.

o **Mike Ball (ESD)**, **Diego Sirianni (ESD)**, **Angela Rossi (ESD, specifically Power Proceeds)**

Erie County Industrial Development (ECIDA): Last meeting with ECIDA was March 17th with some

correspondence since. We discussed specifically the RDC loan program. He also referred us to **Robert Sweet** with the National Development Council and **Bob Richardson** of the regional EB5 center though we haven't reached out to them yet

- **John Cappellino ♦ Executive Vice President**

Buffalo Niagara Enterprise: Continued correspondence throughout, has been an excellent partner in navigating the incentive programs and pulling together meetings.

- **Lorrie A. Abounader, Regional Development Manager**

New York Power Authority- In discussions

- **Brian Vattimo - Senior Business Power Allocations & Compliance Analyst, Maribel Cruz, John Paine, Colleen McConnell, Emily Alkiewicz**

NYSERDA: We have received an award (in the form of a rebate) of ~\$1.2 million through the Industrial Process Efficiency Program. These funds have been set aside contingent on a 2nd technical review being conducted by the Antares Group

- **Stacey Sabo: Senior Project Manager, NYSERDA**

- **Calir Hessmer: Process Engineer, Antares Group**

The New York Green Bank: In discussions

- **Jessica Aldridge ♦ Vice President**



Sam Schatz
Director, Corporate Development
AeroFarms
www.aerofarms.com
p. 917.288.6850

From: Schoepflin, Christopher (ESD)
Sent time: 09/15/2015 02:48:58 PM
To: Zemsky, Howard (ESD)
Subject: FW: 310 financing

From: Daniel M. Hamister [mailto:dmh@hamistergroup.com]
Sent: Tuesday, September 15, 2015 1:18 PM
To: Schoepflin, Christopher (ESD)
Cc: W. Earl McCartney
Subject: 310 financing
Importance: High

Chris,

I wanted to give you an update of where we were with financing.

EB5

Given the sunset of this program and potential changes, every Chinese resident and their mother is trying to get into any deal that they can. It is over loading all EB5 brokers. This is prohibiting the guys we were talking to from getting us a term sheet on what an unsecured loan would be. They tell us that they might be able to get to it by the end of the month and get us something by mid-October. As a result, this option has little standing since what we currently have calls for a co-first position, which no bank is willing to provide, as you know.

ICF

This is the term sheet that has some expensive debt (both in fees and interest rate) but gets us to roughly where EB5 would have gotten us on the total debt amount. We are still pushing this but we have not yet obtained our commitment letter. They have told us that their investment committee meets at the end of the month. An approval by this committee will be required to get the commitment letter. We have been diligently working to getting them all the information they have requested and also answer any questions that come as a result of receiving that information. We expect that they will have everything about a week earlier than their Sep 29th date they set for us to complete their information requests. They have told us that once the commitment letter is issued, they can fund in 2-4 weeks.

Needless to say, given the above, we are not going to be in a position to waive the contingency this Friday. I would propose that we extend that date to October 31st, if you still want to try to get this deal to move forward.

This has clearly been the most difficult project to get financed that we have ever dealt with and you are well aware of what those issues are in doing a project in Niagara Falls. Believe me when I say this, but I wish it were easier. Nothing about this project has been easy.

Dan

Daniel M. Hamister
Senior Vice President & Chief Investment Officer



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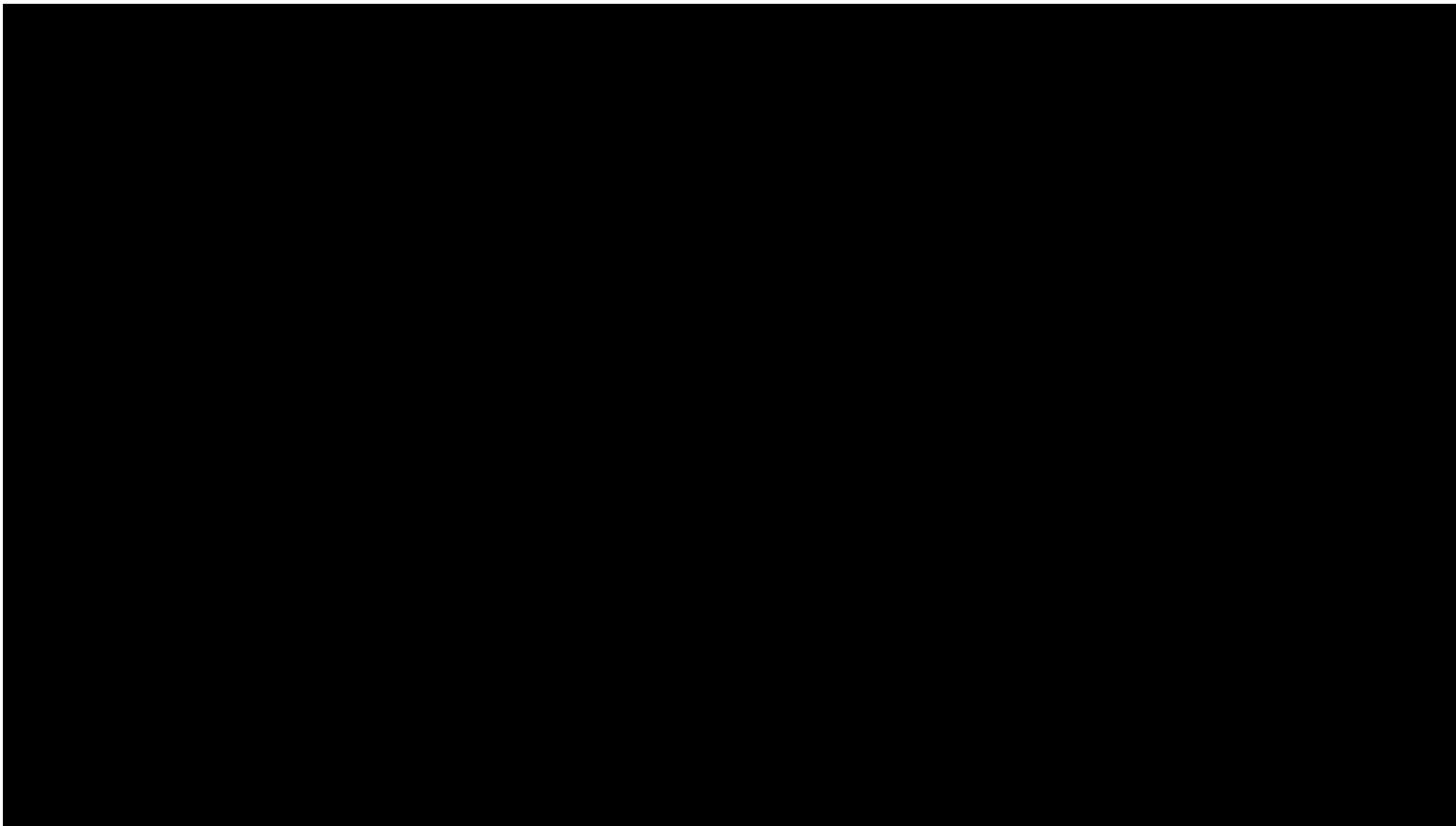
From: Schoepflin, Christopher (ESD)
Sent time: 09/10/2015 09:05:56 AM
To: Zemsky, Howard (ESD)
Subject: RE: 310 Rainbow Offer Letter



From: Zemsky, Howard (ESD)
Sent: Thursday, September 10, 2015 4:21 AM
To: Schoepflin, Christopher (ESD)
Subject: Re: 310 Rainbow Offer Letter



From: Schoepflin, Christopher (ESD)
Sent: Wednesday, September 9, 2015 10:51:19 PM
To: Zemsky, Howard (ESD)
Cc: Conoscenti, Thomas (ESD); Chan, Joseph (ESD); Hoyt, Sam (ESD); Gawlik, Stephen F (ESD)
Subject: Fw: 310 Rainbow Offer Letter



From: Daniel M. Hamister <dmh@hamistergroup.com>
Sent: Wednesday, September 09, 2015 10:00 PM
To: Schoepflin, Christopher (ESD)
Subject: FW: 310 Rainbow Offer Letter

Chris,

Attached is another term sheet we got. You will notice it is signed. We are trying to make this project move forward and, in the interest of time, are trying to get them lined up. It is not a guarantee. However, there is an issue we have with the attached. The interest rate risk is what we need help with. Our proforma has a limit. We are looking for you to backstop the interest rate so that it is not above the 6.25% rate we negotiated a few years ago.

Also, for EB5, right now, we believe we need to continue down that path as a backup, however, we don't know what it looks like. Since no lender will allow a co-first, they have to figure out what to price the loan at as an unsecured loan. Again, we should still look at this as a backup, so I don't think we should stand pat on it. Can you put the guarantee proposal you made to me in writing, please?

I will be on my cell Thursday if you need to talk.

Dan

Daniel M. Hamister
Senior Vice President & Chief Investment Officer



10 Lafayette Square, Suite 1900 | Buffalo, NY 14203
phone: (716) 839-4000 | **fax:** (716) 839-3700
email: DMH@HamisterGroup.com | **web:** www.HamisterGroup.com

From: W. Earl McCartney
Sent: Tuesday, September 8, 2015 4:08 PM
To: Mark Hamister <meh@hamistergroup.com>; Daniel M. Hamister <dmh@hamistergroup.com>
Subject: 310 Rainbow Offer Letter

Attached is the signed offer letter per our conversation.

W. Earl McCartney
Executive Vice President & CFO



10 Lafayette Square, Suite 1900 | Buffalo, NY 14203
phone: (716) 839-4000 | **fax:** (716) 839-3700
email: EMcCartney@HamisterGroup.com | **web:** www.HamisterGroup.com



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From: Zemsky, Howard (ESD)
Sent time: 06/08/2017 09:51:37 AM
To: Boylan, Lindsey (ESD); Conoscenti, Thomas (ESD); Kloss, Elaine (ESD); Healey, Brendan (ESD); Kwon, Robert (ESD); Pidedjian, Antovk (ESD)
Subject: Re: EB5

From: Boylan, Lindsey (ESD)
Sent: Thursday, June 8, 2017 9:02:56 AM
To: Conoscenti, Thomas (ESD); Kloss, Elaine (ESD); Healey, Brendan (ESD); Kwon, Robert (ESD); Pidedjian, Antovk (ESD)
Cc: Zemsky, Howard (ESD)
Subject: RE: EB5

From: Conoscenti, Thomas (ESD)
Sent: Thursday, June 08, 2017 9:01 AM
To: Kloss, Elaine (ESD); Boylan, Lindsey (ESD); Healey, Brendan (ESD); Kwon, Robert (ESD); Pidedjian, Antovk (ESD)
Subject: Fwd: EB5

From: kevin.parker <kevin.parker@kbice.com>
Sent: Thursday, June 8, 2017 8:56 AM
Subject: EB5
To: Conoscenti, Thomas (ESD) <thomas.conoscenti@esd.ny.gov>

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Tom,

Just to remind you our EB5 application is based on 9 rinks. The project scope and resulting job creation is what drives everything including the application, private placement memorandum and amount that is allowable of capital to be raised(# of jobs). If we change the scope to Phase 1 this will be deemed a material change and I am quite sure we would need to re-file(begin the process from scratch)as this would represent a material change. Surprisingly we already had to re-file when we changed EB5 arrangers despite the fact that nothing else changed.

Bottom line is that EB5 will not be able to be launched in its current state to support a phase 1 only approach and so funds from our current application will not be able to be raised. Also bear in mind that we filed in January of 2016 and we have not received approval yet suggesting that the approval process from the date of filing is at least 18 months away. We would need probably 3 months from disbursement of funds in order to prepare a new EB5 application so it's doubtful EB5 could play a role in Phase 1 only scenario.

The better path is to move forward under the assumption that KNIC has the right to build 9 rinks should we raise the capital.

Happy to discuss.

Kp